



State of Arizona

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Governor Jan Brewer, Legislative Leaders Propose Sweeping Personnel Reform Plan

New System to Bring Added Accountability and Efficiency to State Workforce

PHOENIX – Governor Jan Brewer and legislative leaders today unveiled an innovative personnel reform plan modeled after private-sector workforce practices, with the aim to make state government more accountable – and cost-effective – to the Arizona taxpayer.

“The modernization of the State’s personnel system has been a long time coming. I am thankful to Rep. Justin Olson for helping to lead the legislative effort to enact this important personnel reform,” said Governor Brewer. “The current ‘Merit System’ is a misnomer. It discourages our best State workers while protecting the weakest performers.”

Modernization of the State personnel system is the latest reform plan embarked upon by Governor Brewer, following similar efforts in the areas of the economy, education and Medicaid. Currently, the State has about 36,000 employees operating under nine separate and distinct personnel systems. When it comes to job protection, seniority is valued over performance. This has to change.

“This is an important piece of legislation that will allow for the state to ensure the quality of its workforce,” said Speaker of the House Andy Tobin (R-LD1). “I appreciate Representative Olson’s willingness to champion this legislation and increase the state’s flexibility in ensuring the high professional caliber of state employees.”

“I have no doubt that reform is needed in this area,” said Senate President Steve Pierce (R-LD1). “I am looking forward to working with the Governor and the House of Representatives to create a more efficient and accountable personnel system for Arizona’s workers.”

About one-third of the State workforce will be retirement-eligible within the next five years. If the State is going to maintain an efficient and effective workforce, it must make State employment more attractive. Supervisors should be empowered to hire the most talented job applicants without first having to wade through an arbitrary number of additional interviews. The State’s best workers should be rewarded without having to wait for an across-the-board salary increase that applies to everyone without regard for performance. Lastly, our personnel system must empower supervisors to discipline and potentially end employment of the lowest-performing State workers – without excessive bureaucracy and levels of review.

The personnel proposal, known as House Bill 2571, will be sponsored by Rep. Justin Olson (R-LD19).

"HB 2571 will implement common sense reforms," said Rep. Olson. "It will bring Arizona's state personnel system in-line with the most effective practices of the private sector. Governor Brewer has demonstrated tremendous leadership in calling for these important changes. It is an honor to work together with legislative leadership and the Governor's Office on this legislation that will increase state productivity and save taxpayers money."

The new personnel system intends to eliminate the red tape and bureaucracy often associated with government – with the primary goal being increased efficiency and, ultimately, savings to the taxpayer. Governor Brewer, in conjunction with the Arizona Department of Administration (ADOA), has proposed five vital reforms to the personnel system:

1. Consolidation of Personnel Systems

Currently, State employees within the Executive Branch operate under nine separate personnel systems. This proposal will consolidate these multiple systems into one. ADOA's Human Resource Division (HRD) will continue oversight of the new system.

2. Transition of the State Workforce to Uncovered, At-Will Status

Currently, about three-quarters of State employees have covered status. With this proposal, it is estimated that more than 82 percent of the workforce will be uncovered after four years. Most existing State employees will not automatically lose their covered status. But all future hires will be at-will, uncovered. Additionally, any covered employees who accept a promotion will become uncovered. Covered employees in positions that require full authority peace officer certification and correctional officers I, II, and III will maintain their covered status.

3. Improved Management of the Workforce

Personnel reform will empower supervisors to manage their employees, making the workforce more accountable and agile in responding to the needs of Arizona taxpayers.

4. Restructuring of the Grievance and Appeal System

Following personnel reform, all employees still will be able to submit a complaint regarding unlawful discrimination or harassment. The State Personnel Board will remain for covered employees, but will lose authority to overturn or modify disciplinary actions. Similar modifications will be made to the Law Enforcement Merit System Council.

5. Updating Human Resources Practices

Approval of this proposal will usher in a host of HR practices modeled after those that are commonplace in the private sector. Changes are proposed in areas that include: administrative leave; overtime and compensatory leave; workers' compensation; and hiring practices.

"I know that the discussion of personnel reform is emotional," said Governor Brewer. "I know there will be the usual defenders of the status quo. This is a debate that reformers must win. The choice couldn't be clearer. Either we provide State supervisors the flexibility they need to manage their workforce, or we accept a personnel system bound up with bureaucratic red tape. Either we institute these reforms, or we continue outdated policies that provide most State workers with protections enjoyed by virtually no one in the private sector."

For more information on the State's personnel reform plan, please visit www.azgovernor.gov/personnelreform.asp.



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